

DALAL STREET INVESTMENTS LIMITED

Annual Report

2008-2009

DALAL STREET INVESTMENTS LIMITED

Annual Report 2008-2009

BOARD OF DIRECTORS

Pavankumar Sanwari

Rita Pavankumar

Vikas Pavankumar

BANKERS

Citi Bank N.A.

AUDITORS

Messrs. R. V. Shah & Co.
Chartered Accountants

REGISTERED OFFICE

65, Nariman Bhavan
227, Nariman Point
Mumbai 400 021

REGISTRAR & TRANSFER AGENT

Mondkar Computers Pvt. Ltd.
21, Shakil Niwas
Mahakali Caves Road
Andheri (East)
Mumbai 400 093

DALAL STREET INVESTMENTS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT the ANNUAL GENERAL MEETING of DALAL STREET INVESTMENTS LIMITED will be held at 65, Nariman Bhavan, 227, Nariman Point, Mumbai 400 021, on Saturday, the 30th day of May, 2009 at 12.30 P. M. to transact the following business :-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pavankumar Sanwamal, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board

Rita Pavankumar
Director

Registered Office :

65, Nariman Bhavan
227, Nariman Point
Mumbai 400 021.

Dated : 29th April, 2009.

NOTES :

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
- (b) The Register of Members and the Share Transfer Books of the Company will remain closed from 28th May, 2009 to 30th May, 2009 both days inclusive.
- (c) Members are requested to notify immediately any change in the address to the Registrar & Transfer Agents of the Company.

DALAL STREET INVESTMENTS LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors present the Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2009.

1. FINANCIAL RESULTS :

	Rs.	Previous year Rs.
	-----	-----
Profit/(Loss) for the year after meeting all charges and expenses but before Provision for Taxation	(4,41,088)	(10,88,764)
Less: Provision for Taxation	---	---
Fringe Benefits Tax	22,000	32,000
	-----	-----
	(4,63,088)	(11,20,764)
Add/(Less): Balance of Profit/(Loss) brought forward from last year	(16,15,32,914)	(16,04,12,150)
Excess provision for tax for earlier years	518	---
	-----	-----
	(16,19,95,484)	(16,15,32,914)
	=====	=====
Balance in Profit and Loss Account carried to Balance Sheet	(16,19,95,484)	(16,15,32,914)
	-----	-----
	(16,19,95,484)	(16,15,32,914)
	=====	=====

2. DIVIDEND:

In view of losses the Directors do not recommend the payment of dividend on Equity Shares for the year ended 31st March, 2009.

3. **FIXED DEPOSITS :**

The Company has not been accepting any Fixed Deposits from the Public. As on 31st March, 2009, there were no Fixed Deposits with the Company.

4. **DIRECTORS:**

Mr. Pavankumar Sanwamal, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

5. **DIRECTORS' RESPONSIBILITY:**

Pursuant to Section 217 (2AA) of the Companies Act, 1956 the Directors confirm that: in the preparation of the annual accounts, the applicable accounting standards have been followed. Appropriate accounting policies have been selected and applied consistently, and have made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2009 and of the Loss of the Company for the year ended March 31, 2009. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities and the annual accounts have been prepared on a going concern basis.

6. A Compliance Certificate from a Company Secretary in wholetime practice, as required under Section 383A of the Companies Act, 1956 regarding compliance with the provisions of the act is annexed.

7. **AUDITORS :**

Messrs. R. V. Shah & Co., Chartered Accountants, retire as Auditors of the Company at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

...3/-

8. PARTICULARS OF EMPLOYEES :

The information required under Section 217 (2A) of the Companies Act, 1956, there were no such employees as would be covered by the said Section.

9. The Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are not applicable to the Company.

For and on behalf of the Board

Rita Pavankumar
Favankumar Sanwamal

Directors

Place: Mumbai

Dated : 29th April, 2009

**SHIV HARI JALAN
B.COM., F.C.A., A.C.S.
COMPANY SECRETARY**

104, MAHAVIR BUILDING, 44/46, POPATWADI LANE, KALBADEVI, MUMBAI-2.
Telephone: 22075834, Tele Fax: 22075835, Mobile: 9869035834, Residence: 28845111.

COMPLIANCE CERTIFICATE

U/S 383 A of the companies Act, 1956 & Rule 3 of the companies
(compliance certificate) Rules, 2001.

Registration No.: 11-019987
Nominal capital : Rs. 22.50 Lacs

To,

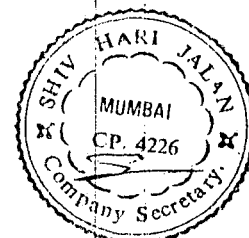
The Members,

DALAL STREET INVESTMENTS LIMITED

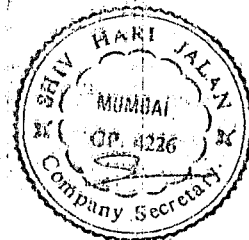
65, Nariman Bhavan,
227, Nariman Point,
Mumbai – 400021.

I have examined the registers, records, books and papers of DALAL STREET INVESTMENTS LIMITED (Registration No.: 11-019987) (the company) as required to be maintained under the companies Act, 1956. (THE ACT) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31.03.2009. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I certify that in the respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms & returns as stated in Annexure "B" to this certificate, with the Registrar of companies, Regional Director, Central Government, Company law Board or other authorities within the time prescribed under the Act and the rules made there under
3. The company is a Public Limited company and hence comments are not required.
4. The board of Directors duly met *Nine* times on 31.05.2008, 28.06.2008, 25.07.2008, 07.08.2008, 14.08.2008, 25.10.2008, 07.01.2009, 29.01.2009 & 10.02.2009 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the Minutes Book maintained for the purpose.
5. The company closed its Register of members from 25.06.2008 to 28.06.2008.
6. The Annual General Meeting for the financial year ended on 31.03.2008 was held on 28.06.2008 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.



7. No extra ordinary general meeting was held during the financial year.
8. The company has not advanced any loan to its Directors and/or persons firms or companies referred in Section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The company was not required to make any entries in the register maintained under Section 301 of the Act.
11. There were no instances falling within the purview of Section 314 of the Act.
12. The company has not issued any duplicate share certificates during the financial year under review.
13. The company has:
 - (i) Not made any allotment of securities or approved any transfer/transmission during the financial year under review.
 - (ii) Not deposited any amount in a separate bank Account as no dividend was declared during the financial year.
 - (iii) Not posted Warrants for Dividends to any members of the company as no dividend was declared during the financial year.
 - (iv) No Transaction Necessitating to transfer the amounts in unpaid dividend account, applications money due for refund, matured deposits, matured debentures and the interest accrued thereon, which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - (v) Duly complied with the requirements of section 217 of the Act.
14. The board of Directors of the company is duly constituted and there was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancy during the financial year under certification.
15. The company has not appointed any Managing Director/ Whole-time Director/Manager during the financial year
16. The company has not appointed any sole-selling Agent during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board /Regional Director/ Registrar and/or such other authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provision of the Act and the rules made there under.
19. The company has not issued any shares, debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. The company has not redeemed any preference shares / debentures, during the financial year.
22. There was no transaction necessitating to keep in abeyance rights to dividend / rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited or accepted any Deposits including any unsecured loans falling within the purview of section 58A of the Act read with companies (Acceptance of Deposit) Rules 1975, during the financial year under review form public.

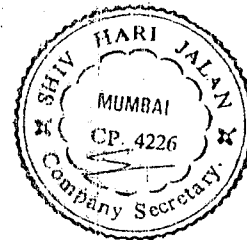


24. The amount borrowed by the company from Directors, other bodies corporate and others during the financial year ending 31.03.2009 are within the borrowing limits of the company and that necessary resolution as per section 293 (1) (d) of the companies act had been passed in duly convened annual general meeting held on 26.08.2000.
25. The company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the object of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of association during the year under scrutiny.
31. There was/were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year under certification.
33. The company has not constituted its Provident Fund u/s.418 of the companies Act, 1956 and hence provisions of section 418 of the Act do not apply to the company.

Place: Mumbai

Date: 29.04.2009


SHIV HARI JALAN
COMPANY SECRETARY
C.P.NO. : 4226



DALAL STREET INVESTMENTS LIMITED

Annexure "A"

Registers as maintained by the company

1. Register of Members u/s. 150(1).
2. Register of Transfers.
3. Copies of Annual Return prepared u/s. 163(1)
4. Minutes of proceedings of meetings of Board of Directors and of general meeting u/s.193 (1).
5. Books of Accounts u/s. 209(1).
6. Register of contracts, companies and firms in which directors are interested u/s 301(1).
7. Register of Directors, Manager and Secretary u/s. 303(1).
8. Register of Directors shareholding u/s. 307(1).

Annexure "B"

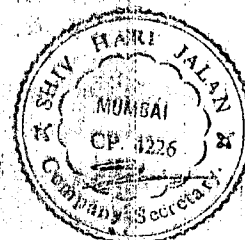
Forms and Returns as filed by company with the Registrar of the companies, Regional Director, Central Government or other authorities during the financial year ending on 31.03.2009:

Sr. No.	Form No./ return	Filed under section	For	Date of filing	Whether filed within prescribed time	If delay in filing whether requisite additional fee paid
1.	Annual Return Form 20B	159	2007-08	23.08.08	Yes	N/A
2.	Balance sheet(with required annexure and schedules) Form 23ac/aca	220	2007-08	17.07.08	Yes	N/A
3.	CCOM Form 66	383A	2007-08	17.07.08	Yes	No

Place: Mumbai

Date: 29.04.2009

**SHIV HARI JALAN
COMPANY SECRETARY
C.P.NO. : 4226**



DALAL STREET INVESTMENTS LIMITED

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the attached Balance Sheet of DALAL STREET INVESTMENTS LIMITED as at 31st March, 2009 and also the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from any material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (the Act), we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. Further to our comments in the annexure referred to above, we report that:
 - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
 - iii. The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the Books of Account.
 - iv. In our opinion, the Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the the Accounting Standards referred to in sub-section (3C) of Section 211 of the Act.

...2/-

- v. Based on representations made by all the Directors of the company to the Board the information and explanations as made available to us by the company, none of the Directors of the company prima-facie have any disqualifications as referred to in clause (g) of sub-section (1) of Section 274 of the Act.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009,
 - b) in the case of Profit and Loss Account, of the Loss for the year ended on that date,
- and
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date

For R. V. SHAH & CO.,
Chartered Accountants

Sd/-
(R. V. SHAH)
Proprietor
Membership No. 016097

Place : Mumbai
Dated : 29th April, 2009.

ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR AUDITOR'S REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009 OF DALAL STREET INVESTMENTS LTD.

On the basis of such checks as we considered appropriate and in terms of the information and Explanations given to us, we state that:

- i. a) The company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.

...3/-

- b) The fixed assets of the company have been physically verified during the year by the management and no material discrepancies between the book records and the physical inventory have been noticed.
 - c) No substantial part of fixed assets of the company has been disposed off during the year.
- ii.
- a) The company has traded in Shares and Securities by purchasing/selling shares and securities, the balance of which is closing stock. The stock has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
 - b) The procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company is maintaining proper records of inventory. No discrepancies were noticed on verification between physical stock and the book records.
- iii.
- a) The company has not granted any loans, secured or unsecured, to companies, firms or any other parties covered in the register maintained under section 301 of the Act.
 - b) The company has taken unsecured loans/advances from eight companies and a party. The maximum amount involved during the year was Rs.1477.85 lacs and year end balance of loans/advances from such companies and parties were Rs.1006.80 lacs.
 - c) The terms of such loans/advances are prima facie not prejudicial to the interest of the company.
 - d) There are no stipulation for repayment of loans/advances. No interest is payable except to one company, which is paid regularly.
- iv.
- In our opinion, there is an adequate internal control system commensurate with the size of the company and the nature of its business for purchase of inventories and fixed assets and for the sale of goods and services.

- v. a) In our opinion, the transactions that need to be entered in the register maintained under Section 301 of the Act have been so entered.
- b) There are no transactions of purchase and sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Act aggregating during the year to Rs. 5,00,000/- or more in respect of each party.
- vi. The company has not accepted any deposits from the public.
- vii. In our opinion, the company's present internal audit system is commensurate with its size and nature of its business.
- viii. a) The company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities applicable to it.
- b) At the end of the financial year there were no undisputed dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited.
- ix. The company has been registered for more than five years. The company has accumulated losses at the end of the financial year exceeding fifty percent of its net worth. The company has incurred cash losses during the financial year and in the immediately preceding financial year.
- x. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xi. In our opinion and according to the information and explanations given to us, the company has maintained proper records of transactions and contracts as to dealings or trading in shares, securities, debentures and other investments and have been held by the company in its own name, except to the extent of the exemption, if any, granted under Section 49 of the Act.

- xii. The company has not given any guarantee for loans taken by others from bank or financial institutions.
- xiii. There were no term loans obtained by the company during the year.
- xiv. According to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, funds raised on short term basis have, prima facie, not been used during the year for long term investment.
- xv. The company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Act.
- xvi. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud by the company. We have been informed earlier by the management, of an instance of fraud on the company, the necessary civil suits are pending in the Courts of Law.
- xvii. Clauses (viii), (xi), (xiii), (xix) and (xx) of the aforesaid Order are not applicable to the company.

For R. V. SHAH & CO.,
Chartered Accountants

Sd/-
(R. V. SHAH)
Proprietor
Membership No. 016097

Place : Mumbai
Dated : 29th April, 2009.

DALAL STREET INVESTMENTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2009

	SCHEDULE	AS AT 31/03/2009 Rs.	AS AT 31/03/2008 Rs.
SOURCES OF FUNDS			
SHARE HOLDERS' FUNDS			
Share Capital	1	2,250,000	2,250,000
Reserves & Surplus	2	(35,795,484)	(35,332,914)
		(33,545,484)	(33,082,914)
LOAN FUNDS			
Secured Loans	3	5,584,386	12,179,953
Unsecured Loans	4	100,680,000	103,715,000
		72,718,902	82,812,039
TOTAL			
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block		4,021,449	4,021,449
Less: Depreciation		2,883,103	2,786,279
Net Block		1,138,346	1,235,170
INVESTMENTS	6	22,504,148	23,108,285
CURRENT ASSETS, LOANS & ADVANCES			
Stock in trade-			
Shares & Securities	7	5,658,000	7,306,941
Cash and Bank Balances	8	54,421	107,926
Loans and Advances	9	48,508,017	57,410,931
		54,220,438	64,825,798
CURRENT LIABILITIES AND PROVISIONS			
Liabilities		5,065,030	6,300,214
Provisions		79,000	57,000
		5,144,030	6,357,214
NET CURRENT ASSETS		49,076,408	58,468,584
TOTAL			
		72,718,902	82,812,039

NOTES ON ACCOUNTS

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As per our attached
report of even date

For R.V. SHAH & CO.
Chartered Accountants

Sd/-
(R.V. SHAH)
Proprietor
Membership No. 016097

Place: Mumbai
Dated: 29th April, 2009

For and on behalf of the Board

Rita Pavankumar
Pavankumar Sanwamal

DIRECTORS

DALAL STREET INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	SCHEDULE	YEAR ENDED 31/03/2009 Rs.	YEAR ENDED 31/03/2008 Rs.
I. INCOME			
Sales - Shares & Securities		186,246	1,685,514
Dividend		1,028,511	1,155,051
Surplus on Sale of Investments (net)		4,703,380	1,293,277
Interest and Other Income	11	554,698	1,006,176
Increase/(Decrease) in Stock-in-Trade	12	(1,648,941)	1,668,497
		<u>4,823,894</u>	<u>6,808,515</u>
II. EXPENDITURE			
Purchases - Shares & Securities		1,482,762	2,157,000
Operating, Administrative and Other Expenses	13	1,014,834	1,691,470
Interest		2,670,562	3,740,521
Depreciation		96,824	108,288
		<u>5,264,982</u>	<u>7,897,279</u>
III. PROFIT/(LOSS) FOR THE YEAR		(441,088)	(1,088,764)
Provision For Taxation		---	---
Fringe Benefits Tax		22,000	32,000
IV. PROFIT/(LOSS) AFTER TAX		(463,088)	(1,120,764)
Balance Brought Forward		(161,532,914)	(160,412,150)
Excess Provision for Tax for earlier years		518	---
V. AVAILABLE FOR APPROPRIATION		(161,995,484)	(161,532,914)
VI. APPROPRIATIONS:			
BALANCE CARRIED TO BALANCE SHEET		(161,995,484)	(161,532,914)
		<u>(161,995,484)</u>	<u>(161,532,914)</u>
Basic & Diluted earnings per share of Rs. 10/- each		(2.05)	(4.98)

NOTES ON ACCOUNTS

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As per our attached
report of even date

For R.V. SHAH & CO.
Chartered Accountants

Sd/-
(R.V. SHAH)
Proprietor
Membership No. 016097

Place: Mumbai
Dated: 29th April, 2009

For and on behalf of the Board

Rita Pavankumar
Pavankumar Sanwamal

DIRECTORS

DALAL STREET INVESTMENTS LIMITED
 SCHEDULES FORMING PART OF THE BALANCE SHEET

	AS AT 31/03/2009 Rs.	AS AT 31/03/2008 Rs.
<u>SCHEDULE - 1</u>		
SHARE CAPITAL		
AUTHORISED		
2,25,000 Equity Shares of Rs.10/- each	2,250,000	2,250,000
	2,250,000	2,250,000
ISSUED AND SUBSCRIBED		
2,25,000 Equity Shares of Rs.10/- each fully paid-up	2,250,000	2,250,000
	2,250,000	2,250,000
<u>SCHEDULE - 2</u>		
RESERVES AND SURPLUS		
GENERAL RESERVE		
As per Last Balance Sheet	126,200,000	126,200,000
Add: Transfer from P & L A/c.	—	—
	126,200,000	126,200,000
Balance in Profit and Loss Account	(161,995,484)	(161,532,914)
	(35,795,484)	(35,332,914)
<u>SCHEDULE - 3</u>		
SECURED LOANS		
Loan - Short Term	—	6,595,567
Others (Secured against pledge of Equity Shares held by the Company)	5,584,386	5,584,386
	5,584,386	12,179,953
<u>SCHEDULE - 4</u>		
UNSECURED LOANS		
Inter Corporate Deposits	58,780,000	87,815,000
From a Director	41,900,000	15,900,000
	100,680,000	103,715,000

DALAL STREET INVESTMENTS LIMITED

SCHEDULE - '5'

SCHEDULE FORMING PART OF THE BALANCE SHEET

FIXED ASSETS

DESCRIPTION	G R O S S B L O C K				D E P R E C I A T I O N				N E T B L O C K		
	COST AS AT 31.03.2008	ADDITIONS DURING THE YEAR	SUB TOTAL	DEDUCTIONS DURING THE YEAR	COST AS AT 31.03.2009	UPTO 31.03.2008	FOR THE YEAR	DEDUCTIONS DURING THE YEAR	AS AT 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2009
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Buildings	2,501,521	—	2,501,521	—	2,501,521	1,509,650	49,594	—	1,559,244	942,277	991,000
Air Conditioner	88,000	—	88,000	—	88,000	37,161	7,071	—	44,232	43,768	50,000
Computer	183,750	—	183,750	—	183,750	178,925	1,930	—	180,855	2,895	4,000
Furniture & Fixtures	90,897	—	90,897	—	90,897	73,389	1,359	—	74,748	6,149	7,000
Office Equipments	219,603	—	219,603	—	219,603	138,090	11,339	—	149,429	70,174	81,000
Vehicles	947,678	—	947,678	—	947,678	847,064	25,531	—	874,595	73,083	98,000
T O T A L	4,021,449	—	4,021,449	—	4,021,449	2,786,279	96,824	—	2,883,103	1,138,346	1,235,000
Previous Year	3,983,449	38,000	4,021,449	—	4,021,449	2,677,991	108,288	—	2,786,279	1,235,170	1,235,000

DALAL STREET INVESTMENTS LIMITED

SCHEDULE '6'

SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2009
INVESTMENTS - AT COST - NON-TRADE (LONG-TERM)

Sr. No.	Name of the Company	Nos.	Face Value Rs.	At Book Value/Cost Rs.	Nos.	As at 31.03.2008 Rs.
1	2	3	4	5	6	7
	QUOTED :					
A.	IN FULLY PAID EQUITY SHARES:					
1	Ancent Software International Ltd.	39,211	10	271,530	39,211	271,530
2	Apcotex Lattices Ltd.	50	10	4,255	50	4,255
3	Balmer Lawrie Investments Ltd. (allotted as per Scheme of arrangement and reconstruction between IIP Co. & Balmer Lawrie Investments Ltd.)	12,900	10	—	12,900	—
4	Aditya Birla Nuvo Ltd.	765	10	238,826	765	238,826
5	Birla VXL India Ltd.	200	10	13,860	200	13,860
6	The Central Provinces Railways Company Ltd.	10,800	10	15,265	10,800	15,265
7	Cifco Finance Ltd.	50	10	392	50	392
8	Deccan Cements Ltd.	40,919	10	738,754	40,919	738,754
9	Elcot Power Controls Ltd.	1,000	10	75,000	1,000	75,000
10	ECE Industries Ltd.	9,000	10	450,000	9,000	450,000
11	Eddy Current Controls (India) Ltd.	4,250	10	42,500	4,250	42,500
12	Essar Oil Ltd.	9,750	10	144,293	9,750	144,293
13	Four Soft Ltd.	500	5	47,404	500	47,404
14	Gujarat State Fertilizer Co. Ltd.	1,480	10	142,347	1,480	142,347
15	Geodesic Information Systems Ltd.	2,830	10	500,055	2,830	500,055
16	Hindalco Industries Ltd.	43,250	1	—	43,250	—
17	Hindalco Industries Ltd.	1,417	1	136,032	1,417	136,032
18	Hindustan Oil Exploration Co. Ltd.	50	10	7,760	50	7,760

1	2	3	4	5	6	7
(B.	(UNITS :					
1	Morgan Stanley Mutual Fund	10,000	10	60,831	10,000	60,831
2	Units of Unit Trust of India - Master Shares	39	10	—	39	—
3	Master Gain, 1992	2,200	10	27,542	2,200	27,542
				<u>88,373</u>		<u>88,373</u>
	(UNQUOTED :					
(A.	(IN FULLY PAID EQUITY SHARES :					
1	HEM. Plastics Ltd.	16,040	10	160,400	16,040	160,400
2	Pilani Investment & Ind. Corpn. Ltd.	18,844	10	220,830	18,844	220,830
3	Lishaku Leasing & Finance Ltd.	50,000	10	500,000	50,000	500,000
4	Southern Switchgear Ltd.	101,488	10	2,346,664	101,488	2,346,664
5	Shree Bombay Cotton Mills Estate Pvt.Ltd.	4,750	10	122,201	4,750	122,201
6	Saurashtra Chemicals Ltd.	271	10	—	271	—
				<u>3,350,095</u>		<u>3,350,095</u>
				(COST/BOOK VALUE		(MARKET VALUE
				Rs.		Rs.
	(NOTES :					
	Aggregate of Quoted Investments			19,154,053		30,662,006
	(Previous year			(19,758,190)		(54,863,044)
	Aggregate of Unquoted Investments			3,350,095		
	(Previous year			(3,350,095)		
				<u>22,504,148</u>		
				(23,108,285)		

DALAL STREET INVESTMENTS LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET

	AS AT 31/03/2009 Rs.	AS AT 31/03/2008 Rs.
<u>SCHEDULE - 7</u>		
<u>STOCK-IN-TRADE</u>		
(at cost or realisable value whichever is lower - valued and certified by the management)	5,658,000	7,306,941
<u>SCHEDULE - 8</u>		
<u>CASH AND BANK BALANCES</u>		
Cash on hand	732	84
Balances with Scheduled Banks In Current Accounts	53,689	107,842
	54,421	107,926
<u>SCHEDULE - 9</u>		
<u>LOANS & ADVANCES</u>		
Unsecured-considered good		
Inter Corporate Deposits	25,875,000	29,500,000
Interest Receivable on I.C. Deposits	13,453,510	13,023,771
Advances recoverable in cash or kind for value to be received	5,110,913	10,861,805
Advance Income-tax/Fringe Benefits Tax, Tax Deducted at Source & Self Assessment etc.	4,045,494	4,002,255
Sundry Deposits	23,100	23,100
	48,508,017	57,410,931
<u>SCHEDULE - 10</u>		
<u>CURRENT LIABILITIES AND PROVISIONS</u>		
<u>CURRENT LIABILITIES</u>		
Sundry Creditors	2,538,828	3,834,293
Interest accrued but not due on loans	1,953,765	1,907,143
Other Liabilities	572,437	558,778
	5,065,030	6,300,214
<u>PROVISIONS</u>		
Provision for Taxation	---	---
Provision for Fringe Benefits Tax	79,000	57,000
	79,000	57,000

DALAL STREET INVESTMENTS LIMITED
SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

	YEAR ENDED 31/03/2009 Rs.	YEAR ENDED 31/03/2008 Rs.
<u>SCHEDULE - 11</u>		
<u>INTEREST AND OTHER INCOME</u>		
Interest on Debentures (Tax Deducted at Source Rs.Nil/-) Previous Year Rs.107/-)	472	472
Interest - On Inter Corporate Deposits (Tax Deducted at Source Rs.111,494/- Previous Year Rs.116,296/-)	541,233	513,222
Interest - Others	12,440	492,085
Miscellaneous Income	553	397
	<u>554,698</u>	<u>1,006,176</u>

SCHEDULE - 12

Increase/(Decrease) in Stock-in-trade

Opening Stock	7,306,941	5,638,444
Less: Closing Stock	5,658,000	7,306,941
	<u>(1,648,941)</u>	<u>1,668,497</u>

SCHEDULE - 13

OPERATING, ADMINISTRATIVE AND OTHER EXPENSES

Salaries, Allowances & Bonus	466,304	437,133
Company's Profession Tax	1,360	1,360
Electricity Charges	6,689	4,004
Insurance	5,640	6,849
Printing & Stationery	23,722	27,559
Travelling & Conveyance Expenses	35,271	93,380
Legal & Professional Fees	58,269	625,723
Processing Fees (Loan)	---	200,011
Vehicle Expenses	143,373	186,103
<u>Auditors' Remuneration:</u>		
Audit Fees	12,500	12,500
Tax Audit Fees	2,000	2,000
Taxation	1,500	1,500
Other Services	3,303	3,663
	<u>19,303</u>	<u>19,663</u>
Postage & Telephone Expenses	85,426	164,788
Repairs & Maintenance - Buildings	34,308	34,160
Miscellaneous Expenses	135,169	90,737
	<u>1,014,834</u>	<u>1,891,470</u>

DALAL STREET INVESTMENTS LIMITED

SCHEDULE '14'

SCHEDULE OF NOTES FORMING PART OF THE BALANCE SHEET AND THE PROFIT AND LOSS ACCOUNT

1. Depreciation on Fixed Assets has been provided on the reducing balance method at the rates specified in Schedule XIV of the Companies Act, 1956.
2. Additional information pursuant to the provisions of paras 3 and 4 of Part II of Schedule VI to the Companies Act, 1956 :

(a) QUANTITATIVE INFORMATION : Details of items traded during the year :

Description	Unit	OPENING STOCK		PURCHASES *		SALES *		CLOSING STOCK	
		Quantity Nos.	Value Rs.	Quantity Nos.	Value Rs.	Quantity Nos.	Value Rs.	Quantity Nos.	Value Rs.
Shares/Units	Number	1,376,519 (1,330,442)	7,306,941 (5,638,444)	1,453 (50,502)	1,482,782 (2,157,000)	1,000 (4,425)	186,246 (1,685,514)	1,376,972 (1,376,519)	5,658,000 (7,306,941)

* Including adjustments in respect of receipt of bonus shares and/or conversions/
sub-divisions.

(b) Value of Imports calculated on C.I.F. basis by the Company during the year	..... Nil	(Nil)	
(c) Expenditure in foreign currency during the year	..... Nil	(Nil)	
(d) Value of Imported raw materials, spares parts and components consumed during the year	..... Nil	(Nil)	
(e) Amount remitted during the year in foreign currency by way of divide.....	..... Nil	(Nil)	
(f) Earnings in foreign currency	..... Nil	(Nil)	

Figures in the brackets relates to the previous year.

3. ACCOUNTING POLICIES :

The accounts are prepared in accordance with the accounting principles and on the accrual basis of accounting.

(a) Fixed Assets and Depreciation :

Fixed Assets are stated at historical costs less accumulated depreciation on the same. Depreciation on Fixed Assets is provided on Written Down Value Method.

(b) Investments and Investment Income :

Investments (Long-Term) are stated at cost. However, provision for permanent diminution is made to recognise a decline in the value of Investments wherever applicable. Surplus on Sale of Investments credited to the Profit and Loss Account is net of loss on Sale of Investments.

(c) Inventories :

Trading stocks are valued at lower of Cost or Realisable Value.

4. An appeal in the High Court of Bombay against the decision of the Income tax Appellate Tribunal filed by the Income tax Department in respect of Asstt. Year 2001-02 is pending. No provision has been made in the Accounts pending decision.
5. The Company is Registered with Reserve Bank of India as Non-Banking Financial Company.
6. As the Company's main activity is to deal in shares and securities, there are no reportable segment as defined in Accounting Standard 17.
7. Basic and Diluted Earning per Equity Share of Rs.10/- each for the year ended 31st March, 2009 is Rs.(2.05) (Previous Year Rs.(4.98)).
8. As defined in Accounting Standard 22 Company do not have material deferred tax liability.
9. As required by Accounting Standard - AS 18 - "Related Parties Disclosures" issued by the The Institute of Chartered Accountants of India are as follows:

List of Related Parties and transactions taken place with them during the year:

(A) Key Management Personnel

- Pavankumar Sanwamal- Director
- Rita Pavankumar - Director
- Vikas Pavankumar - Director

Details of transactions during the year are as follows:

(A) Unsecured Loans/Advances received from related parties:

Key Management personnel Rs.336.75 lacs

(B) Repayment of unsecured Loans/Advances to related parties:

Key Management personnel Rs.76.75 lacs

(C) Outstanding Balances as at 31st March, 2009

Payable by Company

Key Management personnel Rs.419.00 lacs

10. Additional Information pursuant to Part IV of Schedule VI to the Companies Act, 1956.

(a) Registration Details

Registration No.	19987	State Code	11
Balance Sheet Date	31 Date	03 Month	2009 Year

(b) Capital raised during the year (Amount in Rs. Thousands)

Public Issue	Right Issue
Nil	Nil
Bonus Issue	Private Placement
Nil	Nil

(c) Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Sources of Funds	Total Liabilities	Total Assets
	72,719	72,719
	Paid-up Capital	Reserves & Surplus
	2,250	(35,795)
	Secured Loans	Unsecured Loans
	5,564	100,680

Application of Funds	Net Fixed Assets 1,138	Investments 22,504
	Net Current Assets 49,077	Miscellaneous Expenditure Nil
	Accumulated Losses NIL	

(d) Performance of Company (Amount in Rs. Thousands)

Turnover / Income 4,824	Total Expenditure 5,265
Profit/(Loss) before tax (441)	Profit/(Loss) after tax (463)
Earnings per Share (Annualised) in Rs. (2.05)	Dividend Rate Nil

(e) Generic Names of Three Principal Products/Services of Company - Investment Company

Not Applicable

11. Previous year's figures have been regrouped/recast wherever necessary to confirm to this year's classification.

SIGNATORIES TO SCHEDULES '1' TO '14'

As per our attached Report of even date

For R. V. SHAH & CO.,
Chartered Accountants

For and on behalf of the Board

Sd/-
(R. V. SHAH)
Proprietor
Membership No. 016077

Rita Pavankumar
Pavankumar Sanwamal

DIRECTORS

PLACE : Mumbai
DATED : 27th April, 2009

DALAL STREET INVESTMENTS LIMITED

ANNEXURE TO CLAUSE 32 OF THE LISTING AGREEMENT

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

	Current Year	Previous Year
	-----	-----
A. CASH FLOW FROM OPERATING ACTIVITIES		
a. Net Loss Before Tax & Extraordinary Items	(4.41)	(10.89)
Adjustments For :		
Depreciation	0.97	1.08
Interest & Dividend Income	10.88	15.80
Other Income	(47.03)	(12.93)
b. Operating Profit Before Working Capital Changes	(39.59)	(6.94)
Adjustments For :		
Inventories	16.49	(16.68)
Loans & Advances	90.26	(153.69)
Trade Payables	(12.35)	18.09
c. Cash Generated from Operations	54.81	(159.22)
Interest Paid	(26.71)	(37.41)
Direct Taxes Paid	(1.24)	79.39
d. Cash Flow Before Extraordinary Items	26.86	(117.24)
Extraordinary items	0.01	---
Net Cash flow from Operating Activities	26.87	(117.24)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	---	---
Purchase of Fixed Assets	---	(0.38)
Sale of Investments	53.19	21.65
Purchase of Investments	(0.12)	(12.39)
Interest Received	5.54	10.06
Dividend Received	10.29	11.55
Net Cash used in Investing Activities	68.90	30.49

C. CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from Issue of Share Capital	---	---
Proceeds from Long Term Borrowings	(96.31)	86.20
Dividend Paid	---	---
	<u> </u>	<u> </u>
Net Cash used in Financing Activities	(96.31)	86.20
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT	(0.54)	(0.55)
Cash and Cash Equivalent at beginning of the year	1.08	1.63
Cash and Cash Equivalent at end of the year	0.54	1.08

AS PER OUR ATTACHED REPORT OF EVEN DATE

For R. V. SHAH & CO.
Chartered Accountants

Sd/-
R.V. SHAH
Proprietor
Membership No. 016097

Place : Mumbai
Dated : 29th April, 2009

For and on behalf of the Board

Rita Pavankumar
Pavankumar Sanwamal

DIRECTORS

DALAL STREET INVESTMENTS LIMITED
65, Nariman Bhavan, 6th floor, 227 Nariman Point,
Mumbai 400 021.

PROXY FORM

I/We _____

of _____

being a Member/Members of DALAL STREET INVESTMENTS LIMITED, Mumbai
do hereby appoint

of _____

or failing him _____

of _____

as my/our proxy in my/our absence to attend and vote for me/us
and on my/our behalf at the Annual General Meeting of the Company
to be held on Saturday, the 30th May, 2009 at 12.30 P.M. and at
any adjournment thereof.

As WITNESS my/our hand/hands this _____ day of _____ 2009.

Signed by the said _____

Folio Number/Client ID No. _____

Affix
Re.1/-
Revenue
Stamp

D.P. ID. No.: _____

NOTE: The Proxy must be deposited at the Registered Office of the
Company at Mumbai not less than 48 hours before the time for
holding the meeting.